



## Market Crash: 3 Stocks That Can Make You Rich in a Correction

### Description

The spot price of [gold hit an all-time high](#) over the past week. Gold, silver, and other safe havens have attracted interest as the COVID-19 pandemic continues to take its toll on the United States economy. Back in late 2019, I'd predicted that the yellow metal [could hit \\$2,000/ounce](#) this year. Today, I want to discuss why precious metals stocks are a great bet for those worried about a market crash.

### Why precious metals can make you big bucks during volatility

Gold and silver gained huge momentum following the 2007-2008 financial crisis. Historically, a loss of faith in the broader economy and financial system has driven investors into these assets. Some investors are anxious about the diversion between a hot market and an economy in crisis.

Meanwhile, the U.S. dollar has hit severe volatility. A market crash may be in the cards in 2020. Whether it happens sooner or later, precious metals stocks still look like a great bet right now.

### One gold stock that still looks great

The spot price of gold was hovering around the \$1,950/ounce mark at the time of this writing. **Kinross Gold** ([TSX:K](#))([NYSE:KGC](#)) is one top Canadian gold producer that investors can hold in anticipation of a market crash. Its shares have soared 90% in 2020 as of close on July 29. The company released its second quarter 2020 results on the same day.

Kinross' profit rose to \$195.7 million in Q2 2020. Moreover, it reported net income of \$0.15 per share. Kinross saw revenue climb to \$1.01 billion on the back of the surge in gold prices.

Shares of Kinross last possessed a price-to-earnings ratio of 14 and a price-to-book value of 2.0, putting this gold producer in attractive value territory. It is still worth picking up in this bullish environment for gold.

## Market crash: Silver stocks are just starting to catch fire

Valuations on the **TSX** are high right now, which is another reason some are worried about a potential market crash. Silver has finally started to build momentum after lagging gold's big run in 2020. Fortunately, this means the still high-quality silver stocks can be snagged at a discount.

**Fortuna Silver** is a Vancouver-based silver mining company. Its stock has soared 109% in the past three months. Better yet, Fortuna is still on a promising growth path.

In Q1 2020, the company reported a net loss of \$4.5 million compared to net income of \$2.2 million in Q1 2019. This was largely due to lower production at its San Jose Mine, and negative metal price adjustments at the end of March.

As I'd mentioned, silver prices have only recently gained serious traction. Its price-per-ounce dropped to \$11 in late March and is now firmly above the \$20 mark.

This company also boasts an excellent balance sheet.

**Pan American Silver** is another Vancouver-based producer that is worth your attention. Its shares have increased 141% year over year. Pan American is also a gold producer, so the increase in gold prices has given it a boost.

The company recently achieved profitability and possesses a fantastic balance sheet. If you're worried about a market crash, these two silver stocks are worth owning.

### CATEGORY

1. Coronavirus
2. Investing

### TICKERS GLOBAL

1. NYSE:KGC (Kinross Gold Corporation)
2. TSX:K (Kinross Gold Corporation)

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**Date**

2025/08/25

**Date Created**

2020/07/30

**Author**

aocallaghan

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